

DEFENSE LEGAL SERVICES AGENCY
Operation and Maintenance, Defense-Wide
FY 2000/2001 Biennial Budget Estimates

I. Description of Operations Financed:

The Defense Legal Services Agency (DLSA) provides legal services to the Office of the Secretary of Defense, Department of Defense Field Activities, and the Defense Agencies. The largest component of DLSA, the Defense Office of Hearings and Appeals (DOHA) adjudicates numerous types of cases that arise from all Military Departments and Defense Agencies. See IV below. This activity is a Budget Activity 4, Administration and Service-Wide Activities program.

All customary expenses required to operate a government activity are financed, including salaries and benefits, travel, rental of office space, rental of equipment, communications, and the cost of supplies and equipment.

II. Financial Summary (O&M: \$ in thousands):

A. <u>Activity Group:</u>	FY 1998 <u>Actual</u>	FY 1999			FY 2000 <u>Estimate</u>
		<u>Budget Request</u>	<u>Appropriated</u>	<u>Current Estimate</u>	
1. DLSA HQ	1,906	1,801	1,801	1,801	2,126
2. DOHA	<u>6,812</u>	<u>7,226</u>	<u>6,938</u>	<u>6,938</u>	<u>7,357</u>
Total	8,718	9,027	8,739	8,739	9,483
B. <u>Reconciliation Summary:</u>					
		Change		Change	
		<u>FY 1999/ FY 1999</u>		<u>FY 1999/FY 2000</u>	
Baseline Funding		9,027		8,739	
Congressional Adjustments		-18		0	
Price Change		11		365	

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Functional Transfer	-270	268
Program Changes	-11	111
Current Estimate	8,739	9,483

II. Financial Summary (O&M: \$ in thousands) (continued):

C. Reconciliation of Increases & Decreases:

1. FY 1999 President's Budget		9,027
2. Congressional Adjustments (Distributed)		-0-
3. Congressional Adjustments (Undistributed)		
a. DRI Savings	-7	
b. Revised Economic Assumptions	-5	
c. Congressional Earmark Billpayer	-6	
Total Other Congressional Adjustments		-18
5. FY 1999 Appropriated Amount		9,009
6. Total Transfers-In		-0-
7. Functional Transfers-Out		
a. Pentagon Renovation Transfer Fund	-270	
Total Transfers-Out		-270
8. Price Change		
a. Civilian Pay Increases	20	

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b. Non-pay Inflation	-4	
c. Revised Economic Assumptions	-5	
 Total Price Change		 11
 9. Program Increases		 -0-

II. Financial Summary (O&M: \$ in thousands) (continued):

10. Program Decreases		
a. Miscellaneous contracts: DLSA will decrease its purchased contracts.	-11	
 Total Program Decreases		 -11
 11. Revised FY 1999 Current Estimate		 8,739
 12. Transfers-In		
a. PRMRF Purchases: Increase attributable to functional transfer of Pentagon Renovation from the Pentagon Renovation Transfer Fund (PRTF).	268	
 Total Transfers-In		 268
 12. Price Growth		 365
 13. Program Increases		
a. Miscellaneous contracts: Increase is attributable to		

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relocation of Columbus office, including cost of move and new furnishings; increased litigation expenses associated with overseas litigation, including temporary duty travel and experts and consultant support; increased cost of interservice support agreements for Massachusetts, California, and Ohio offices; and Implementation of DRI-related initiatives. 383

b. PRMRF Purchases: Increase is attributable to FY 2000 PRMRF furniture payments in support of the Pentagon Renovation Project. 5

Total Program Increases 388

II. Financial Summary (O&M: \$ in thousands) (continued):

14. Program Decreases
a. Three (3) FTE - Personnel downsizing -277
Total Program Decreases -277
15. FY 2000 Budget Request 9,483

III. Performance Criteria and Evaluation Summary:

The Defense Legal Services Agency (DLSA) provides legal Services to the staff elements of the Office of the Secretary of Defense and the Defense Agencies. DLSA's activities include providing opinions and counseling on legal compliance issues affecting policy formulation and implementation; participation in developing the Department's legislative program, including

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drafting legislation and comments; negotiations on behalf of DoD clients with private entities and other Government agencies; ensuring proper use of Government funds and property; adherence to ethical standards; and participation in contractual matters. The Defense Office of Hearings and Appeals (DOHA), the largest component of DLSA, provides hearings and issues decisions in personnel security clearance cases for contractor personnel doing classified work for all DoD components and 20 other Federal Agencies and Departments and conducts personal appearances and issues decisions in security clearance cases for DoD civilian employees and military personnel. DOHA also conducts hearings and issues decisions in cases involving the special education programs of the Department of Defense's overseas and domestic school systems, and CHAMPUS payment for medical services. DOHA also functions as a central clearing house for DoD-alternative dispute resolution activities and as a source of third party neutrals for such activities. DOHA also adjudicates various financial claims including, but not limited to, claims related to uniform services members' pay, allowances, travel, transportation, retired pay, and survivor benefits; claims by transportation carriers for amounts collected from them for loss and damage incurred to property incident to shipment at Government expense; claims for proceeds of sale of unclaimed property coming into the custody or control of the Army, Navy, Air Force or Coast Guard; and petitions for waiver of debts owed by employees to the Government. DLSA is evaluated on the basis of the quality and timeliness of its myriad of services; adherence to the American Bar Association and Department of

III. Performance Criteria and Evaluation Summary (continued):

Defense ethical standards; the professional independence, impartiality and competence exhibited by its attorneys; and its overall responsiveness to the needs of its clients.

<u>Workload:</u>	<u>FY 1998</u> <u>Actual</u>	<u>FY 1999</u> <u>Estimate</u>	<u>FY 2000</u> <u>Estimate</u>
Cases Reviewed	13,800	13,825	13,850

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Hearing cases	785	790	795
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IV. Personnel Summary:

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>Change</u> <u>FY 1999/FY 2000</u>
<u>Active Military End-Strength (E/S)</u>				
Officer	1	2	2	0
Enlisted	<u>10</u>	<u>9</u>	<u>9</u>	<u>0</u>
Total	11	11	11	0
 <u>Civilian End Strength (Total)</u>				
U. S. Direct Hire	87	85	82	-3
 <u>Active Military Average Strength (A/S)</u>				
Officer	1	2	2	0
Enlisted	<u>10</u>	<u>9</u>	<u>9</u>	<u>0</u>
Total	11	11	11	0
 <u>Civilian FTEs (Total)</u>				
U. S. Direct Hire	88	85	82	-3

V. OP 32 Line Items As Applicable (Dollars in Thousands):

<u>Change from</u> <u>FY 1998/FY 1999</u>	<u>Change from</u> <u>FY 1999/FY 2000</u>
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	<u>FY 1998</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 1999</u> <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2000</u> <u>Estimate</u>
Exec & General Schedules Comp.	7,494	256	-247	7,503	347	-277	7,573
Travel of Persons	204	2	-13	193	3	0	196
PRMRF Purchases	220	121	-282	59	0	273	332
Rent GSA (SLUC)	434	5	0	439	7	0	446
Purchased Communications	45	0	1	46	1	0	47
Supplies & Materials (Non-DBOF)	24	0	-9	15	0	0	15
Other Contracts	293	3	184	480	7	383	870
Other Costs	<u>4</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>4</u>
 TOTAL	 8,718	 387	 -366	 8,739	 365	 379	 9,483